Committee. It observes that there would be some awkwardness in transferring the issue to the Bank of England before the future dimensions of the fiduciary issue have been arrived at; and it suggests that during the transitional period any expansion in Treasury notes that may take place should be covered, not as now, by Government securities, but by Bank of England notes taken from the Bank. By this means any demands for new currency would operate in the normal way to reduce the reserve of the Banking Department, " which would have to be restored by raising money rates and encouraging gold imports," and so a step would have been taken to getting back to a business basis in the currency system and away from the profligate printing-press policy of the war period.

Such are the suggestions made by this distinguished body for the restoration of our currency. Little has been said against them in the way of serious criticism, but their conservative tendency and the fact that they practically recommend a return to the *status quo* has caused some impatience among the financial Hotspurs who proposed to begin to build a new world by turning everything upside down. In matters of finance this process is questionable, interesting as the result would undoubtedly be. To get to work on tried lines and then, when once

industry and finance have recovered "their old activity, to amend the machine whenever it is creaking seems to be a more sensible plan than to delay our start until we have fashioned a new heaven and earth, and then very probably find that they